Chapter 1: Introduction

Background

The Pacific Coastal Salmon Recovery Fund (PCSRF), established by Congress in FY 2000, provides grants to assist state, local, and tribal salmon conservation and recovery efforts in Washington, Oregon, California, and Alaska. (The FY 2004 appropriations included the State of Idaho.) The PCSRF was requested by the governors of these states in response to Endangered Species Act (ESA) listings of Pacific salmon and steelhead populations, as well as harvest restrictions placed on the Southeast Alaska salmon fisheries through the 1999 Pacific Salmon Treaty Agreement. The National Oceanic and Atmospheric Administration's National Marine Fisheries Service (NMFS) is the federal agency responsible for implementation and oversight of the PCSRF, in conjunction with states and tribes.

Declines of historic salmon and steelhead populations and deterioration of their habitats are the result of a multitude of actions, both human and natural, over the past century. Habitat alterations through activities such as urban development, logging practices, grazing, agriculture, and power generation, have resulted in loss of important spawning and rearing habitat. Past harvest practices, hatchery production, and other factors have affected salmon abundance and left populations more susceptible to fluctuations in the natural environment, such as changing ocean conditions, droughts, fires, and floods. The recovery of sustainable salmon runs requires substantial investments of time and other resources over many life cycles. There is a significant time lag between physical cause and biological effect, a fact that complicates the detection of changes in abundance and trends. Thus, in most cases, it will be several to many years after restoration and recovery efforts are initiated before increased numbers of fish occur. The declines in wild salmon and steelhead populations have occurred over the last century and will require decades to restore.

The goal of the PCSRF is to make significant contributions to the conservation and restoration of salmon and steelhead runs and the habitats on which they depend. The PCSRF supplements existing federal, state, and tribal programs to foster development of partnerships in salmon and steelhead recovery and conservation, while at the same time promoting efficiencies and effectiveness in local recovery efforts through enhanced leveraging of capabilities, expertise, and information. To date, the largest percentage of PCSRF and matching state funds have been directed to on-the-ground habitat restoration activities, since loss and degradation of habitat have been identified as principal factors contributing to salmon and steelhead decline. The next largest category of funding has been watershed planning and assessment efforts that develop the critical infrastructure necessary to prioritize and optimize further salmon and steelhead recovery investments. Some of the projects supported by PCSRF are already successfully demonstrating direct benefits to anadromous fish, such as salmon and steelhead using newly opened or improved habitat. Many projects, however, take several years to complete. Throughout the report, examples of the use of PCSRF funds for projects are highlighted. Details on the processes, projects, and performance indicators are provided in the remainder of the report.

Organization of the Report

The report is organized into five chapters. The remainder of this chapter describes general procedures for state and tribal distribution of funds and the development and use of performance indicators to assess PCSRF expenditures and progress toward the PCSRF goal. Chapter 2 provides a context for understanding the critical needs for PCSRF investments by outlining the geographic distribution of salmon listings, available information about current populations, and processes for salmon recovery. Chapter 3 displays the information currently available for the PCSRF performance indicators across program objectives. Chapter 4 provides more detail on current procedures in place by states and tribal commissions for distributing PCSRF funds and the patterns of fund distribution. Chapter 5 draws some preliminary conclusions related to the use of performance indicators in assessing outcomes and the ongoing progress being made with PCSRF funds. Throughout the report, the term salmon is generally used to refer to salmon and steelhead (salmonid) populations. Indicators described in this report can be accessed and manipulated in the PCSRF data system at http://webapps.nwfsc.noaa.gov/pcsrf/.

Funding Distribution and Processes

MOUs and Identification of State Processes

The initial Congressional appropriation report for the PCSRF in FY 2000 encouraged development of Memoranda of Understanding (MOUs) between NMFS and states and tribal commissions for distribution of PCSRF funds to qualifying projects. These MOUs were not established to require NMFS approval of individual projects, but were structured to set criteria and processes for funding priority projects. NMFS entered into MOUs with Washington, Alaska, California, Oregon, the Northwest Indian Fisheries Commission (NWIFC) on behalf of 20 western Washington treaty tribes[1], the Columbia River Inter-Tribal Fish Commission (CRITFC) on behalf of four Columbia River basin treaty tribes[2], and the Klamath River Inter-Tribal Fish and Water Commission (KRITFWC) on behalf of four Klamath River basin tribes.[3] Seven non-affiliated tribes[4] received PCSRF funds directly (without MOUs) for specific projects.

The MOUs established processes for state/tribal distribution of the funds based on criteria for effective use of the funds toward salmon conservation and recovery. The MOUs include processes for considering projects including scientific review, requirements for reporting, monitoring, and

[1] Nisqually, Squaxin Island, Puyallup, Jamestown S'Klallam, Port Gamble S'Klallam, Lower Elwha Klallam, Skokomish, Swinomish, Sauk-Suiattle, Upper Skagit, Tulalip, Makah, Stillaguamish, Muckleshoot, Suquamish, Nooksack, Lummi, Hoh, Quinault, and Quileute Tribes. These are Pacific coastal tribes.

[2] Nez Perce Tribe (ID), Confederated Tribes of the Umatilla Indian Reservation (OR), Confederated Tribes of the Warm Springs Reservation of Oregon (OR), and the Confederated Tribes and Bands of the Yakama Nation (WA). These are Columbia River tribes.

[3] The Karuk Tribe of California (CA), Yurok Tribe (CA), Hoopa Valley Tribe (CA), and The Klamath Tribes (OR). These are Pacific coastal tribes.

[4] The Pacific coastal tribes not affiliated with an Inter-tribal Commission are Round Valley Indian Tribes in the Eel River Basin (CA), Confederate Tribes of the Chehalis Reservation (WA), Coquille Indian Tribe (OR), Confederated Tribes of Grand Ronde (OR), and Confederated Tribes of the Siletz Indians (OR). The Columbia River tribes not affiliated with an Inter-tribal Commission are Colville Confederated Tribes (WA) and Shoshone-Bannock Tribes (ID).

evaluation, and other measures to ensure full accountability and public access to the information and data collected with these funds.

History, Types, and Locations of Projects Funded

In the initial year of the program (FY 2000), Congress appropriated $58 million and authorized funding for salmon habitat restoration, salmon stock enhancement, salmon research, and implementation of the 1999 Pacific Salmon Treaty Agreement and related agreements.[5] In accordance with the enabling legislation, the PCSRF appropriation was distributed primarily to the states ($50 million), with the remainder ($8 million) to the Pacific coastal tribes and the Columbia River tribes. The authorizing legislation in FY 2000 also mandated that PCSRF funds be subject to a 25 percent non-federal match by states, and that administrative expenditures by states be limited to 3 percent.[6]

Over the last three years, an average of $96 million per year has been appropriated, with the total FY 2000–2003 PCSRF funding reaching $347.2 million. Of the funds appropriated in FY 2000–2003, $302.4 million (87 percent) went to the four states, and $44.8 million (13 percent) to the tribes. (The FY 2004 appropriation of $89 million will be discussed in the 2005 Report to Congress.) The PCSRF funding to the states was matched with $164.9 million in state funds, a 55 percent match on the PCSRF

[5] See Section 623(d)(3) of P.L.106-113.

[6] See P.L. 106-113. The conference report further restricted Washington to a one percent limit on administrative expenditures.

Before

After

Habitat Protection and Restoration

Washington—Sherwood Creek Fish Passage

In 1997, the South Puget Sound Salmon Enhancement Group and Allyn Community Association proposed replacing fish blocking culverts on Sherwood Creek in Mason County to provide access to 18.6 miles of high-quality spawning and rearing habitat for several species of salmon, including chinook, chum, coho, and cutthroat. Because the stream is approximately 30 feet wide, project sponsors determined a new bridge would be the most cost-effective and biologically-sound solution. Culminating a large fund raising effort ($1.1 million) and much hard work by project sponsors, the new railroad bridge was built in the summer of 2002. The new bridge allows fish passage for adults and juveniles of all species, and also restores watershed processes, allowing streambed material and woody debris to migrate downstream.

The project partnership included the local salmon recovery lead entity, federal and state agencies, railroad, tribal, and private parties. Contributions were made by the U.S. Navy, Washington State, PCSRF, and private volunteers. In the fall of 2002, volunteers reported thousands of salmon using the newly opened habitat upstream of the bridge.

funds, significantly exceeding the 25 percent requirement match. Exhibit 1–1 shows the percent allocations of PCSRF funds among states and tribes for FY 2000–2003.

Authorization for appropriations through FY 2003 was provided in the FY 2001 Appropriations Act.[8] With this legislation, PCSRF funds to the states were authorized for "salmon habitat restoration, salmon stock enhancement, and salmon research including the construction of salmon research and related facilities;" while PCSRF funds to the tribes were authorized for "salmon habitat restoration, salmon stock enhancement, salmon research, and supplementation activities." Exhibit 1–2 shows the distribution of PCSRF funds and state matching funds across objectives through December 31, 2003.

This report describes the distribution and use of the PCSRF funding by the states and tribes through December 31, 2003, accounting for most, but not all, of PCSRF funding appropriated.[9] PCSRF funds are awarded to the states and tribes as appropriations become available, which normally occurs well after the October 1 start of the federal fiscal year. States and tribes must prepare grant applications each year, which are submitted soon after the appropriations become available to NMFS. These grant applications then continue through the NOAA grants process, sometimes resulting in issuance of grant awards close to the end of the fiscal year. The grant awards are then followed by state and tribal processes and cycles for screening and selecting priority projects and distributing the funds. Thus, many of the PCSRF funds are committed to projects in the year following the availability of appropriations.

Exhibit 1–1: Allocation of FY 2000–2003 PCSRF Funds to States and Tribes

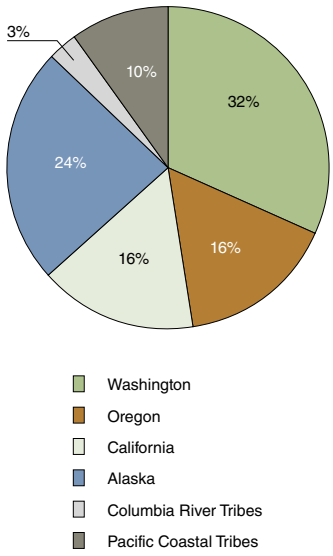
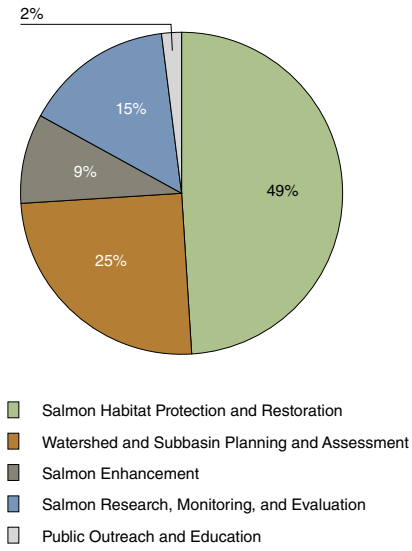


Exhibit 1–2: Distribution of PCSRF and State Funds by Objective Through December 2003



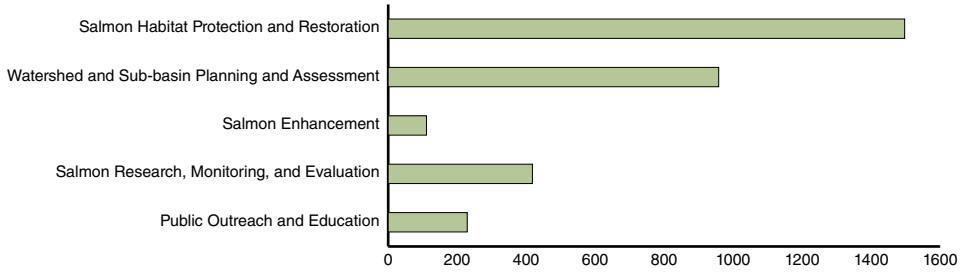
[8] P.L.106-553.

[9] As of December 31, 2003, about half of the FY 2003 PCSRF funds had not been committed to projects through the applicable state and tribal processes due to the issuance of most PCSRF grant awards in the last month of the fiscal year. In the case of California and Alaska, 100 and 90 percent respectively of their FY 2003 PCSRF funds were not committed in 2003. They will be committed in calendar year 2004 and reported in the 2005 Report to Congress.

Actual project completion can take several additional years because of construction windows, the seasonal nature of salmon work, permitting delays, and processes required to issue contracts for the work to be done. Additionally, in some cases, projects may be cancelled or terminated for a variety of reasons. The funds then revert back to the state or tribe processes for re-issuance to new projects.

Approximately 85 percent of the FY 2000–2003 PCSRF appropriated funds was committed to 3,213 projects as of December 31, 2003, with about 39 percent of these projects completed. Exhibit 1–3 shows the number of projects funded by objective. Exhibit 1–4 shows the distribution of funds to projects by watershed basin. This report accounts for the funds committed to projects under the five objectives previously mentioned, but does not include all of the administrative and overhead costs.

Exhibit 1–3: Projects Funded (PCSRF and State Funds) by Objective Through December 2003

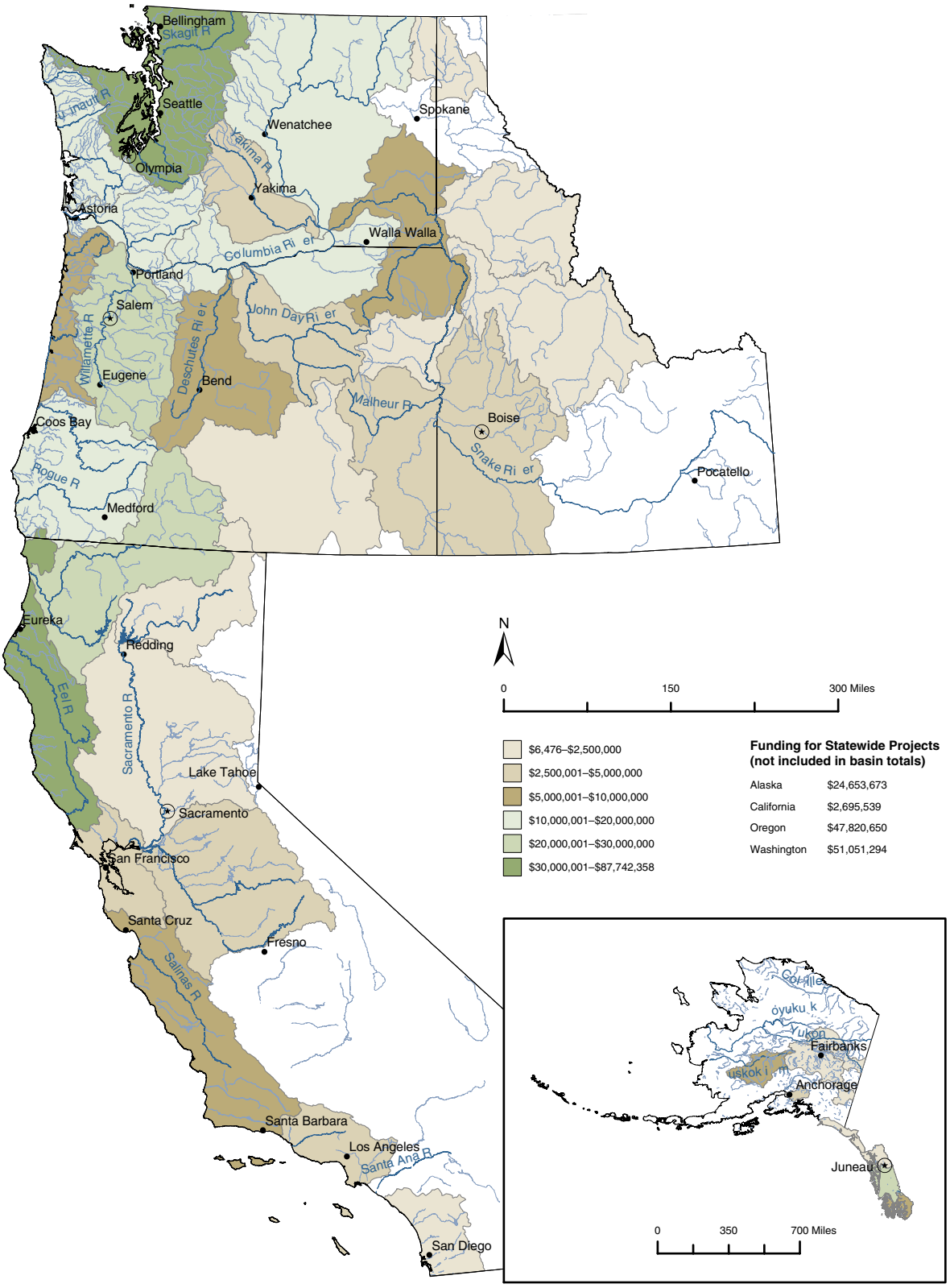


Developing Performance Measures

Understanding the progress being made toward the overall goal of Pacific salmon recovery is essential to ensure wise investments of resources to accomplish specific outcomes. The PCSRF is a relatively new program, receiving funding only since FY 2000. The lack of a PCSRF performance measurement system across the four states (Washington, Oregon, California, and Alaska) was noted in the "Performance and Management Assessments" section of the "Budget of the United States Government Fiscal Year 2004." A "Performance Assessment Rating Tool" (PART) was applied to the PCSRF by the Office of Management and Budget (OMB), resulting in a rating of "results not demonstrated." The basis for the rating was: 1) program-wide performance measures had not yet been developed, although each state was developing performance measures related to its individual needs; 2) the program had not been able to allocate funds based on recovery needs of specific salmon populations; and, 3) the long-term goal of the program is to contribute to recovery and conservation of Pacific salmon, and the program, which started in 2000, had not finalized annual measures yet. Although MOUs between NMFS and the states and tribes established criteria and goals for prioritizing PCSRF funds to projects designed to conserve and restore Pacific salmon, they lacked program-wide performance measures and thus did not meet the PART requirements when it was conducted in 2002. The PART evaluation of the PCSRF program was not reassessed in the FY 2005 Budget process and therefore does not reflect recent progress made in developing performance indicators.

In response to the OMB assessment, NMFS and the PCSRF grantees (states and tribes) worked together over the last year to develop performance indicators to track progress and report on the

Exhibit 1–4: Distribution of PCSRF Funds by Watershed Basin Through December 2003



status of the program. Previous reports have focused primarily on grantee (states and tribes) programs and accomplishments. This report is the first attempt to track performance through analysis of a consistent set of program-wide reporting indicators for PCSRF funded projects. Rather than simply reporting the number of projects funded to improve habitat, the new indicators will provide annual outputs such as the number of stream miles actually treated to improve habitat and the number of culverts replaced or repaired to allow fish passage.

It is not possible at this time to report indicators for all projects, nor is it possible to report on specific outcome measures. The indicators were developed recently, and not all projects funded in earlier years tracked the specific indicators currently identified. Further, not all projects funded have been completed. Research, monitoring, and evaluation (RM&E) programs have been established to begin to develop the needed correlations between PCSRF activities and salmon returns. These RM&E efforts will lead to the development of performance measures to assess outcomes. All projects funded in FY 2004 and thereafter include requirements for collection of the new indicators as appropriate for use in measuring annual and long-term performance.

States and tribes have agreed to report on 70 different indicators across five broad program objectives. Measuring program performance is an iterative process, and over time, knowledge gained from the variety of performance indicators under each objective will contribute to the cumulative understanding of outcomes and program effectiveness. Reporting metrics and performance indicators will be periodically revised to better assess outcomes as the program evolves.

Program Objectives and Performance Indicators

There are five broad program objectives within the PCSRF. Reporting metrics and performance indicators have been identified under each of these to track annual performance and long-term effectiveness of the program. The PCSRF performance indicators reported by the states and tribes through December 2003 are aggregated in Chapter 3 of the report and summarized by individual grantee in Chapter 4 under the following program objectives.

1. **Salmon Habitat Protection and Restoration**
   The objective is to implement habitat improvements that restore ecosystem characteristics and processes that address priority factors limiting salmonid production. Projects include "on-the-ground" habitat projects that protect, preserve, restore, and enhance salmon habitat and watershed functions, as well as property acquisition for conserving salmon habitat.

2. **Watershed and Sub-basin Planning and Assessments**
   The objective is to develop comprehensive plans or reports (e.g., recovery plans, watershed plans, sub-basin plans, habitat inventory reports) that identify and prioritize factors limiting wild salmonid production at different spatial scales and address measures needed to eliminate limiting factors. Projects include recovery planning and participation in NMFS Technical Recovery Teams, watershed assessments including mapping/inventory for plans, sub-basin planning, technical assistance, development of habitat inventory reports, support for salmon restoration groups including watershed councils, and organizational infrastructure and staffing for local conservation groups and tribal entities.

3. **Salmon Enhancement**
   The objective is to conduct activities that: 1) enhance depressed stocks of wild anadromous salmonids through hatchery supplementation, 2) reduce fishing efforts on depressed wild stocks, or 3) enhance Pacific salmon fisheries on healthy stocks in Alaska.

4. **Salmon Research, Monitoring, and Evaluation**
   The objective is to conduct research and monitoring on salmonids and/or their habitat to: 1) assess watershed health and salmonid recovery, 2) assess the effectiveness of habitat restoration actions, 3) improve long-term fisheries management, and 4) implement the research and monitoring requirements of the 1999 Pacific Salmon Treaty Agreement. Projects include investigations, studies, and validation monitoring.

5. **Outreach and Education**
   The objective is to educate constituencies on the value of, and actions taken for, conservation, restoration, and sustainability of healthy Pacific salmonid populations and their habitat. Projects include workshops, forums, preparation of educational materials, training, and citizen participation.